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John J. Dempsey President

DEMPSEY REALTYCEOMPANY

P. O. Box 893

SANTA FE, NEW MEXICO: 47

March 18, 1955

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Mr. W. B. Macey Oil Conservation Commission P. O. Box 871 Santa Fe. New Mexico

Dear Mr. Macey:

Under order by the Oil Conservation Commission we herewith submit our application for your consideration of immediate administrative approval. This request is made in accordance with the following commission rules and regulations, to-wit: Rule 1 of Order R-128-C and Rule 6 of Order R-565 and R-566 of the Special Rules and Regulations for the various Northwest Gas Pools.

Following is a legal description of the acreage involved:

Northeast quarter of the Northeast quarter Section 1, Township 29 N., Range 13 W. (New Mexico Fetroleum Map).

The name and location of the well involved is Hutchison Well Number One, which lies in the Northeast portion of the above described location.

We are herewith enclosing plats showing the acreage to be dedicated and the location of the well, in which there is no offset ownership.

Since there are no other wells within the prescribed number of feet as set forth in your regulations, no mailing list of operators in the nearby area can be included.

Sincerely yours

David McNeill

Agent

DMcN/bms

DEMPSEY REALTY COMPANY

P. O. Box 893

SANTA FE, NEW MEXICO

March 18, 1955

STATE OF NEW MEXICO)

COUNTY OF SANTA FE

I, DAVID McNEILL, being first duly sworn, do hereby depose and state that the foregoing information is true and accurate to the best of my knowledge and belief.

DAVID McNEILL

Agent

Subscribed and sworn to before me this 18th day of March, 1955.

Notary Public

My commission expires:

MY COMMISSION EXPIRES AUGUST 14, 1957

NEW MEXICO

Gas Well Plat

OIL CONSERVATION COMMISSION

		Date March 18, 1955
Dempsey, Reilly & Mahon Operator	Hutchison Lease	Ne. 1 Well No.
Name of Producing Form	nation Fulcher Kutz	Pool Pictured Cliffs
No. Acres Dedicated to t	he Well 40	
SECTION 1	TOWNSHIP29_N	RANGE 13 W. N.M.P.M.
I hereby certify that the to the best of my knowledge	Name Position Ages Representing	ewol M. Dell

(over)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE. NEW MEXICO

March 7, 1955

Mr. John J. Dempsey, MC Congress of the United States House of Representatives Washington, D. C.

Dear Mr. Dempsey:

Reference is made to your letter of February 9, 1955, in which you requested this office to furnish you with information concerning the necessary steps for the formation of a non-standard gas proration unit for your Hutchison Well No. 1 in San Juan, New Mexico.

One of the basic requirements for the formation of a non-standard gas proration unit is that all of the acreage to be dedicated to such a unit must be contiguous. It has been, and is, the policy of the Commission not to consider acreage which meet at only one point as being contiguous. This therefore would apply to the acreage which you propose to dedicate to your Hutchison Well No. 1. This Commission will be able to grant only a 40-acre non-standard gas proration unit to your Hutchison Well No. 1. The reduction in unit size from 40 acres to 80 acres will in no way effect your allowable, inasmuch as the marginal nature of this well gives to it the breaking point allowable as computed from our deliverability curves. This in all cases would give an allowable to your well in excess of its ability to produce.

For your information I am enclosing a copy of the applicable order and a copy of memorandum which outlines the filing requirements for a non-standard gas proration unit which will generally apply to the Northwest.

By copy of this letter we are contacting your Santa Fe office with whom we will carry on all future corespondence.

If we can be of any further assistance to your regarding this matter do not hesitate to call upon us.

Very truly yours,

Charles M. Rieder
Petroleum Engineer

CMR:jh

MAIN OFFICE OCCONGress of the United States 1955 FEB 20 R 8: 28 House of Representatives

Feb. 9, 1955

Mr. W. B. Macy, State Geologist Oil Concervation Commission State Capitol Santa Fe, N. M.

Ref. Hutchison Well No.1 San Juan County

Mear Mr. Macy:

I have just received a letter from your Mr. Arnold at Aztec in which he advises that I must request permition from your office before I dan comply with the proration program.

Mr. Arnold states in his leter the following.

"All necessary information has been filed in order for your well to be ' placed on the first proration schedule, which is to begin March 1, 1955. It will, however, be necessary for you to secure administrative approval for your well as it is on a non-standard proration unit. Oil conservation ruls specify that a Pictured Cliffs well have 160 acres in the form of a square being in a regular # section dedicated as the drilling unit. Your plat indicates that your accrage, although being in a single 4 section, consists of only 80 acres. ---"

At the time this well was drilled, it is my understanding that only 80 acres were required for a drillijg unit. There fore I request that you take the necessary steps to have this unit included, if necessary, in a proration unit.

Please advise my Santa Fe office if you need any other information.

Per. 'David McNeill

Sect.

Lina Pleza 3-3621

NEW MEXICO

Gas Well Plat

OIL CONSERVATION COMMISSION

to the WellTOWNSHI	- a N				
TOWNSHI	_)_7 ///	To. Acres Dedicated to the Well 80 (79.9%)			
1/01/2	P	_RANGE_/3W			
	ND	*			
		NO			
	ANTON)	(
		J. N.D.			

Address

(over)